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PUBLIC SERVICE COMMISSION

January 31, 2005

Ms. Elizabeth O'Donnell Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40602

Re: Case No. 2003-00380

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case a report by East Kentucky Power Cooperative, Inc., of efforts, from December 1, 2004 through January 31, 2005, to mitigate local impacts during the construction of the Spurlock-Flemingsburg-Goddard transmission line.

Very truly yours,

Charles A. Lile

Senior Corporate Counsel

Enclosures

Cc: Parties of Record

Progress Report for Spurlock-Flemingsburg Right of Way Activities-January 31, 2005

Overview

There are 69 tracts of land on which negotiated rights will be necessary to construct the project. The following tract statistics describe our progress to date:

Signed easements 57, plus a 13/14ths undivided interest in an

additional tract. (We have been unable to locate

two of the heirs as of this writing).

Contacted 69 Negotiations in progress 02

Condemnations 07 (Seven interlocutory judgments have been

granted by the court).

Mitigation

Some centerline location requests were made by property owners at the EKPC sponsored open house held May 22, 2003. These requests were evaluated and route adjustments were made when the initial centerline location was established. There were 4 tracts involved in this early mitigation.

After the centerline location was established, requests have also been made by property owners as to the location of structures and/or the centerline. A summary is listed below.

Signed easement group

- 4 structure location adjustments were requests and agreed upon for signing of easement.
- 7 structure locations were requested and agreed upon after negotiations were complete.
- 3 structure locations were requested and adjustments made prior to a negotiated easement.

Other mitigations negotiated by landowners in the signed easement group.

- Grantee agrees not to upgrade the line to a higher voltage without Grantors additional written consent.
- No additional structures added without the Grantors additional written consent.
- Grantee agrees not to spray herbicides as long as the Grantor maintains the described easement area.
- No buried telecommunications or equipment for buried telecommunications of any kind will be placed within the easement area without written approval from the Grantor.
- Install gates on or near the right of way in interior and exterior fence lines.
- Limited access during times of construction and or normal maintenance.

Property owners may make other requests as negotiations proceed, and will be reflected in future reports.

Centerline Impact – highway construction project

The progress report for the relocation of EKPC's existing Spurlock-Avon 345kV transmission line is included in the above information.

Transmission line construction

The construction of the transmission lines is nearly complete with completion expected in May of 2005.

Reclamation of surface damages

Two contractors were used for the transmission line construction, Davis H. Elliott is scheduled to begin reclamation of surface damages from the south end of the project between March 01 and the 15th, 2005, weather permitting. Irby Construction is scheduled to begin reclamation of surface damages from the north end of the project between March 01 and the 15th, 2005, weather permitting.

MICHAEL S BEER
VP – RATES & REGULATORY
KENTUCKY UTILITIES CO
C/O LG&E
P O BOX 32010
LOUISVILLE KY 40232-2010

NOEL AND BETTY DORSEY 338 ENERGY ROAD FLEMINGSBURG KY 41041

J B & EVELYN SHANNON 923 WEST WATER STREET FLEMINGSBURG KY 41041 DANIEL COLLINS 6252 US 68 MAYSVILLE KY 41056

KEVIN F DUFFY AMERICAN ELECTRIC POWER 101A ENTERPRISE DRIVE P O BOX 5190 FRANKFORT KY 40602 TIMOTHY C MOSHER AMERICAN ELECTRIC POWER 101A ENTERPRISE DRIVE P O BOX 5190 FRANKFORT KY 40602

HONORABLE LINDA S PORTASIK SENIOR CORPORATE ATTORNEY LG&E 220 W MAIN ST P O BOX 32010 LOUISVILLE KY 40232-2010 ERROL K WAGNER
DIRECTOR REGULATORY SERVICES
AMERICAN ELECTRIC POWER
101A ENTERPRISE DRIVE
P O BOX 5190
FRANKFORT KY 40602

J GREGORY CORNETT ESQ OGDEN NEWELL & WELCH PLLC 1700 CITIZENS PLAZA 500 WEST JEFFERSON STREET LOUISVILLE KY 40202

JAMES A FINCH 6224 HELENA ROAD MAYS LICK KY 41055

MARK R OVERSTREET ESQ STITES & HARBISON 421 WEST MAIN ST P O BOX 634 FRANKFORT KY 40602-0634

E LUELLEN PYLES 5080 KENTUCKY 2514 MAYSVILLE KY 41056

GERALD L WOODS 6115 CLIFT PIKE MAYS LICK KY 41055 DOROTHY D HURD 78 GARDENSIDE DRIVE FLEMINGSBURG KY 41041



4775 Lexington Road 40391 P.O. Box 707, Winchester, Kentucky 40392-0707



First Class Mail

MS ELIZABETH O'DONNELL
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
211 SOWER BLVD
FRANKFORT KY 40602

THE SECTION OF THE SE

COMMISSION